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Town resists cleanup proposal

Mountain burg sees EPA plan as threat

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RICO - This ragged yet resilient mountain village asked for a helping hand from the Environmental Protection Agency in cleaning up the Dolores River.

That hand, town officials say, is now wielding a sledgehammer they fear might end their dreams of turning the town around.

For years, Rico sought government action to restore a treatment plant for metal-laden water that the St. Louis Tunnel, part of an old silver mine on the northern edge of town, disgorges into the river.

Former owners of the mine abandoned the tunnel's water-treatment plant in 1996. The EPA sued them in 1999, but the case drags on. Lead, silver, zinc, copper and cadmium keep streaming from the tunnel.

This town of roughly 220 people southwest of Telluride has long wanted this source of pollution stopped, town attorney Eric Heil said. But the EPA is considering listing the town as a cleanup project under a powerful law called CERCLA, the Comprehensive Environment Response, Compensation and Liability Act of 1980.

It could involve ranking Rico among the most polluted places in the country, adding it to the National Priorities List and making it eligible for cleanup money from CERCLA's so-called Superfund.

"A broad Superfund designation would be beyond a nail in the coffin," Heil said. "It would be absolutely the end. No one would want to buy a business here. No one would want to build a subdivision here."

EPA enforcement attorney Sheldon Muller said the agency has an obligation to clean up contamination and protect public health.

"Over time, as we were able to devote time and resources there, we discovered there were some elevated levels of lead in residential soils," Muller said. Lead is a hazard if ingested.

But town officials feel the threat of a Superfund listing to their shaky economy is greater than any threat from soil contamination.

"Parents can teach their children not to eat dirt," Heil said. "Let's just tackle the big gorilla, the 70 percent-plus contributor to water pollution in the river: The St. Louis Tunnel."

The Rico Town Board voted unanimously Oct. 22 to deny the EPA permission to sample city streets for lead, but some private property owners granted it. The EPA completed testing at the end of October.

It is too early in the EPA's scoring process to determine whether Rico will make the priority list,

Muller said. But if the EPA takes action under CERCLA, he said, Rico would benefit in the long run by the removal of mine waste.

Heil said he isn't so sure he sees that light at the end of the tunnel.

Right now, the Rico Hotel and Argentine Grill, a liquor store and a gas station are the only open storefronts. The Rico Theatre and Cafe, which once attracted stomping crowds and big-name bands, has closed its doors.

The elementary school reopened this fall for the first time in years, but it has only one child in each of its five grades.

"What we really need is a cafe, bar and grocery store," not a solution to potential lead ingestion, Heil said.

Town Board member Jon Kornbluh, owner of Bluecorn Beeswax candles and one of Rico's few businessmen, said Superfund designation would be the death of commerce in the town.

"The EPA is acting like a big bureaucratic beast ... disconnected from the needs and best interests of the local population," he said.

It has been a hard-scrabble life in the town from the beginning, even in 1879, when miners struck silver and the town lived up to its Spanish name, which means "rich." Mineral wealth spilled from the mountains along with miners' blood and waste rock and water.

A few thousand people dug out a living here at the foot of Expectation Mountain for a hundred years until the Rico Argentine Mine shut down for good in 1977. Rico's population dwindled to the low double digits by the 1980s. But then Rico rebounded thanks to its rugged natural beauty.

By 2000, Rico had grown to more than 200 people: some are hardy entrepreneurs such as Kornbluh, and others are exiles from nearby Telluride.

For the past decade, the town government fought with Rico Renaissance, a group of investors that bought up about 1,800 acres of land in and around the town in 1994, over how big and how high Rico should grow.

The developers planned to fill the mountain sides with 500 houses, mostly vacation homes of absentee property owners. Ricoans wanted to keep the town's historic character and avoid sprawl, but they also knew how desperately the town needed more residents.

In February the town and Rico Renaissance minted a compromise. It means less development: up to 300 single-family homes clustered lower on slopes but not encroaching on historic neighborhoods in the river valley. The river corridor goes to the town. Under this plan, less than 200 acres of Rico Renaissance's 1,800 acres of mining claims would be developed.

The town would remain a historic hamlet at the base of timber-cloaked slopes. Perhaps, Heil said, it could one day become fly-fishing heaven.

But the town's old nemesis, the St. Louis Tunnel, still spouts heavy metals harmful to fish.

One former tunnel owner, the Atlantic Richfield Co., known as Arco, has offered to work with the

Rico cleanup plan

A proposed federal Superfund cleanup designation has officials fearing for the former mining town's future.



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town and Rico Renaissance to restore the treatment plant at the St. Louis Tunnel, even though it no longer owns it.

The town wants to work with Arco and Rico Renaissance by forming a nonprofit entity to oversee cleanup at the tunnel and redevelopment of other mine sites as light-industrial properties. Arco was to fund it.

"We were all holding hands and knew which direction we wanted to go," Heil said.

This community-based approach to cleanup would be faster and more respectful than Superfund action, Kornbluh said.

"We are so on it," Kornbluh said. "While I'm no big fan of multinational energy corporations, Arco has been a responsible liability owner in this town."

But Arco, Muller said, has balked at a new state requirement for an upgraded treatment plant that would produce water pure enough to meet newer, more stringent standards on the river.

"Arco does not want to do it because it would be very expensive," Muller said. "They have not yet come up with any kind of concrete proposal to install what would now be needed. Action has been a long time coming."

An Arco spokesman could not be reached to comment. Because Arco was not the owner of the tunnel when it was abandoned, the extent of its legal obligation is being negotiated with the EPA.

Muller acknowledged that CERCLA can be "scary" because it enables the government to take treble damages from those deemed to be responsible parties. And it looks far back in history to find them.

EPA's assistant regional administrator, Max Dodson, said the Superfund stigma is a traditional issue when the agency attempts action under CERCLA. In the past, he said, CERCLA has been thrust on communities. And while a state's governor can intervene to try to prevent the listing of a particular site, once a community is on the list, there is no appeals process.

However, Dodson said, the EPA firmly believes in the importance of community and state support for its cleanup endeavors.

"I will meet with the town," he said recently. "The decision has not been made. We have many tools we can work with. CERCLA is one of many tools."

The EPA offered no estimate about when a decision will be made.

Colorado has just under 20 Superfund or comparable cleanup sites, according to the EPA.